DAILY REPORT

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Eastern Europe

Vol II No 052

14 March 1980

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[illegible] [editorial report #3] Budapest [illegible] in Hungarian on 1 June on page 1 carries a 1,200-word unattributed report entitled "Trade Fair Conferences," on the results of some twenty party committee conferences and of the series of such conferences on 1 March.

Of the latter, the report lists the following sixteen as received [illegible] figures:

Borsod County: first secretary; seven [illegible] secretaries; Miskolc town, 10 [illegible] and 10 [illegible] levels. Executive committee members, in addition to the above: 20 county [illegible], Miskolc Mayor, mine workers, Ozd [illegible], Tiszai Vegyimuvek, Kazincbarcika [illegible], Lenin Kohaszati Muvek, and three [illegible] [illegible].

[illegible]: first secretary; [illegible] secretaries; Szeged town and [illegible] levels. Executive committee members, in addition to the above: [illegible], Szeged [illegible], Mayor, [illegible], [illegible], Szeged [illegible], Szeged [illegible], [illegible] and [illegible].

[illegible]: first secretary; [illegible] secretaries; [illegible] town and [illegible] levels. Executive committee members, in addition to the above: [illegible], [illegible], [illegible], [illegible], [illegible], [illegible], [illegible], [illegible] and [illegible].

Fermin County: first secretary; Gyula Council secretaries; Gyula town and other levels. Executive committee members, in addition to the above: Ferenc Nagyi, [illegible] Gyula, [illegible] Mayor, [illegible] and [illegible] [illegible] and [illegible] [illegible].

[illegible] [illegible] [illegible] [illegible]

[illegible] Budapest MTI in English 1107 GMT 12 Mar 80 LD

[Text] Budapest, 12 Mar 80 [MTI]--The number of the members of the Communist Youth Union of Hungary [KISZ] has increased by 60,000 since [illegible], and the share of KISZ-members has risen in [illegible] all strata of youth. This was stated at the extended session of the Central Committee of the Communist Youth Union of Hungary, at which discussions are being held on the experiences of increasing the membership, and the KISZ organizations' party member recruiting activity.

In the introduction to the conference László Maróthy, member of the Political Committee of the MSZP and first secretary of the Central Committee of KISZ, reported on the February 28 session of the MSZP Central Committee.

[illegible]

[illegible] CONFERENCE SESSION OPENED--On Tuesday [11 March], the regular annual session of the Danube Commission began at the international organization's Roosevelt Street headquarters in Budapest. The session is attended by delegations, headed by ambassadors of the member countries--Austria, Bulgaria, Czechoslovakia, Yugoslavia, Hungary, Romania and the Soviet Union--representatives of the CEC of the United Nations, the CMEA Secretariat, the World Meteorological Organization, the UN Environmental Protection Program and the Open Committee of experts of the PRC Ministry of Transport, Post and Telecommunications. [Text] [Budapest MAGYAR HIRLAP in Hungarian 12 Mar 80 p 8 AU]

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[illegible] ROMANIA

At the end of their meeting both sides emphasized that the visit of the British foreign secretary to our country and his talks with the Romanian president are an expression of the good relations of friendship and cooperation between the two countries, and of the joint desire to develop these relations in many areas, in our mutual interests and in the interests of the cause of strengthening peace and cooperation in the world.

[illegible] in the election archives [illegible] Ceausescu

AU1105 Bucharest AGERPRES in Romanian 11 Mar 90 pp 1, 2 AU

[Central Electoral Commission communique on the results of the 3 March elections of deputies to the GNA]

[Excerpts] The Central Electoral Commission, on the basis of article 94 of the electoral law, the reports of electoral commissions in the constituencies on the results of the 3 March 1990 elections of deputies to the Grand National Assembly [GNA], issued the following:

There were 17,131,251 citizens registered on electoral lists. Of the total number of people registered, 15,123,290 citizens or 93.97 percent, participated in the voting.

There were 13,190,441 votes, or 87.32 percent of the total, who voted for candidates of the Socialist Democracy and Unity Front [SDUF]. Voting against were 230,611 people, or 1.48 percent. There were 58 votes annulled.

There were 390 candidates competing in 396 constituencies; 2 candidates in 151 constituencies and 3 candidates in 77 constituencies.

On the basis of the electoral law provisions, the electoral commissions declared 369 deputies elected to the GNA.

The Central Electoral Commission received no complaints in connection with the activity of electoral commissions in constituencies.

[illegible] Chairmanship Elected

AU1105 Bucharest AGERPRES in Romanian 11 Mar 90 p 1 AU

[Text] The Central Electoral Commission announces that in the 13 August 34 1 constituency of Ilfov/Bucharest municipality, where Comrade Nicolae Ceausescu ran for the Grand National Assembly [GNA], all citizens registered on electoral lists participated in the voting and there was no vote against or annulled. Likewise, all citizens of the Socialist Republic of Romania abroad, on permanent or temporary missions, voted for Comrade Nicolae Ceausescu.

All 72,221 citizens in the 13 August constituency voted for Comrade Nicolae Ceausescu, party secretary general and president of the Socialist Republic of Romania.

[illegible]

[illegible] expression of feelings of profound esteem, love and gratitude for the party secretary general, this impressive assembly again highlights the unflinching will of the people around the party and their full endorsement of the program to build the comprehensively developed socialist society and insure Romania's progress toward communism and of the brilliant domestic and international policy promoted by our party and head of state, comrade nicolae ceausescu, a policy that embodies the highest aspirations of our socialist nation.

The unanimous open vote for comrade nicolae ceausescu expresses the feelings of boundless attachment and high respect for the great example of revolutionary and patriotic thinking and action of our party and state leader and the profound conviction of all the country's citizens that, by electing the most beloved son of our people to the highest legislative organ of the country, socialist Romania will rise to new and higher peaks of progress, civilization, prosperity and happiness, thus unflinchingly implementing the historic decisions adopted by the 13th PCP congress.

People Councils Election Results

[illegible] Bucharest [illegible] in Romanian 12 Mar 90 p 1 AU

[Communique of the State Council on the results of the 4 March elections of deputies to the people's councils]

[Excerpt] The State Council of the Socialist Republic of Romania, on the basis of article 99 of the electoral law, announces:

General elections took place on 4 March 1990 for 39 county people's councils, for the Bucharest Municipality People's Council, for the Bucharest municipality's 6 sectors, for 95 municipal people's councils, for 180 town people's councils and for 2,705 communal people's councils.

Running for 61,771 seats were 123,297 candidates; 1 candidate competed for 1 seat in 57,049 constituencies and 2 candidates in 4,111 constituencies. Elected were 61,360 deputies, of which 4,477 deputies were to the county people's councils; 155 deputies to the Bucharest Municipality People's Council; 985 deputies to the people's councils of Bucharest municipality; 7,779 deputies to municipal people's councils; 5,195 deputies to town people's councils; and 42,767 deputies to communal people's councils.

Remaining vacant were 11 communal seats, as none of the proposed candidates won one-half plus 1 of the votes.

New elections will be held in those constituencies [illegible] stipulated in article 99 of the electoral law of the Socialist Republic of Romania.

[redacted]

[redacted]

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[illegible] 19 Mar 80 [illegible] YUGOSLAVIA

[illegible] CONFERENCE ON AGRO-INDUSTRIAL DEVELOPMENT OPENS IN BELGRADE

[illegible] Belgrade TANJUG Domestic Service in Serbo-Croatian 1257 GMT 11 Mar 80 LD

[Excerpts] Belgrade--The 350 participants in the Yugoslav conference on the development of the agro-industrial complex in the period 1981-85, which began today at the Belgrade Sava Center, will try to contribute through their proposals and suggestions to the further elaboration of the concept of the third power plan.

Those attending the 2-day meeting include: Dragoslav Markovic, president of the SFRY Assembly; Andrej Marinc, member of the LCY Central Committee Presidium; Cuzen Djapic, president of the provincial conference of the Vojvodina League of Communists; Ivan Stambolic, president of the Serbian Executive Council; Mikulay Radic, president of the Vojvodina Executive Council; Ilija Vasic, president of the Yugoslav Economic Chamber; Stojan Milenkovic, president of the Federation of Associations of Cooperatives of Yugoslavia; Drago Dragan, vice president of the Federal Executive Council; Marin Jelic, vice president of the SFRY Federal Conference; and Milutin Baltic, secretary of the Presidium of the Croatian League of Communists Central Committee.

The introductory report was delivered by Svetolik Stranovic, president of the Federal Executive Council.

Svetolik Popovic, director of the Institute for Agricultural Economy, discussed the basic norms of development projections in this sphere in the coming plan period.

A growth of about 5.5 percent in agricultural production in the coming medium-term plan would insure an adequate food supply for the country's population and would create certain surpluses for export, Svetolik Popovic said in his discussion of the basic issues of development projections for the agricultural complex from 1981-85.

According to the institute's projection, in 1985 wheat yields will reach 5 million tons and corn yields 11-12 million tons. The annual production of meat should increase to 1.5 million tons, sugar beet to approximately 7 million tons and sunflower to 750,000-950,000 tons. About 5 billion litres of milk (are planned as). This volume of production is not a particularly high one and will probably not satisfy those who advocate a more rapid growth. However, the projected level of growth is greater than in the last 10 years. In any case, Svetolik Popovic said, experience shows that political action for the greatest possible production must be waged but one should be realistic in planning.

In primary agricultural production, Svetolik Popovic stressed, the individual sector in the coming years will continue to play a dominant role, for it will use about 80 percent of the arable land. Despite all forms of migration about 7 million people will be employed in individual sector agriculture in 1985. It is both politically and economically justified to activate these farms as much as possible. Development of secondary and tertiary activities will not provide a sufficient number of jobs for agricultural workers wishing to move into other spheres. In addition, other expenses must be calculated in migration, such as communal expenditure. Therefore, the development policy of the agricultural complex takes as its starting point the aim of slowing down the transfer of the labor force from agriculture into other activities as much as possible in the forthcoming medium-term period. This can be accomplished if economic prerequisites are offered which will enable agricultural workers to earn a satisfactory income.

According to the projection, agricultural production in the social sector should increase at a rate of 6.6-7.1 percent in the next 5 years. Receipts on socially owned farms, which are otherwise relatively high, have in fact been stagnating over recent years, which points to certain reserves available for growth.

This orientation toward production in the social and individual sector cannot develop spontaneously; a planned and programmed organization of all subjects is necessary. On the basis of self-managing agreements definite quantities and types of goods, delivery schedules and quality must be agreed upon. The development of individual production is, in fact, the promotion of commodity production.

In the food industry, which should grow at a level of [illegible] percent, the emphasis has been placed on the construction of a smaller number of modern capacities and the modernization of existing ones. Great activity is presenting the food industry, despite the fact that investments in the agro-industrial complex as a whole were low, led to insufficient use of capacity. In addition, a number of projects were built outside the area of available raw material. These difficulties must be overcome by self-management agreement uniting of organizations of associated labor from various areas.

Vlatko Vlasic, president of the Vojvodina Assembly Executive Council, spoke about the great comparative advantages and vast opportunities for food production in Yugoslavia and for exports.

Vlatko Vlasic stressed that prospects for the development rate of food production in the forthcoming period are modest and do not correspond to overall opportunities and requirements. He said that specific results are being achieved in realizing the goals of the current green plan, but that are primarily to unfavorable economic conditions, incomplete fulfillment of obligations, delays in developing income relations and subjective weaknesses, the agreed goals are not being entirely realized with a sufficient degree of success. In certain spheres there is perceptible lagging. This may be seen particularly in the development of animal husbandry, which is characterized by oscillation and reductions in animal reserves, while the appropriate anticyclic measures are not applied. Irrigation is applied to only 7 percent of the land area in Yugoslavia and we are among the last of the European countries to utilize mineral fertilizer , at 96 kilograms per hectare in Yugoslavia as a whole and 150 kilograms per hectare in Vojvodina. Agricultural investments also lag behind in Yugoslavia and Vojvodina, as is indicated by the fact that the share of agricultural investments in overall economic investments will be reduced from [illegible] percent in 1975 to 5.1 percent this year.

Vlatko Vlasic also stressed that it is essential for Yugoslavia's socialist foreign policy that we make an active contribution to the struggle for food in the world. It is of particular importance to make greater use of the opportunities to develop and promote all-round cooperation with underdeveloped and developing countries. Many of these countries are oil producers and exporters with sizeable requirements but less favorable opportunities for increasing food production.

Proceeding from the complementary interests of our country and these countries, it is possible on the basis of joint investments to organize food production both in Yugoslavia and in these countries, to organize oil production there, and in direct exchange to realize for ours favorable effects for both sides. Food exports also realize a high net currency effect, Vlasic said.

Vlasic cited the very edifying example of sugar and edible oil production which meets domestic requirements and is available for exports. He stressed that this year Vojvodina will export food worth $550 million. In 1985, exports of at least $1 billion are expected in this province.

Veljko Jakovcic, chairman of the Federal Committee of Trade Unions of Workers in Agriculture, the Food and Tobacco Industries, discussed the development of self-managing socio-economic relations which, according to him, represent an essential prerequisite for the more dynamic and harmonious development of activities in agro-industry in the 1981-85 period.

[illegible]

[illegible] advocated the establishment of more equal conditions of economic activity and equalization of income, and the improvement of the accumulative and reproductive capacities of organizations of associated labor in this sphere.

Slavko Gomar, director of the Institute for Developing Countries, expressed dissatisfaction with the place given to cooperation with developing countries in the projections for the development of the agro-industry in the forthcoming period. In his opinion, agriculture represents the most beneficial and sure path toward realizing this cooperation but the appropriate results are not being attained in this respect. Our country enjoys long-term cooperation with only a few developing countries. If about 50 combines and 150 large-scale agricultural organizations have only a dozen undertaken such cooperation.

Vaj Dan Stanislav Gerzic expressed the opinion that the forthcoming 5-year period would bring greater successes in food production. Not in the hilly, mountain and inland areas, [as received] he spoke in particular about the promotion of the agro-industrial complex from the position of the concept of all-people's defense. He stressed the need for good organization in the trading and transport of agricultural food products.

Prof Dr Slavko Gamulin spoke about the level achieved in the development and application of scientific achievements in agriculture.

In the last 10 years, Yugoslav scientific institutions have created 75 high-yield strains of winter wheat. In general, the contribution of science to the development of agriculture has been great. It is sufficient to note that Yugoslav institutes have achieved great success in creating new high-yield corn hybrids. Up to now, 170 strains have been recognized, Gamulin said.

In the debate on the agro-industrial complex for the period 1981-85, unanimous support was given to the elaboration of the third green plan. Numerous suggestions were put forward and the coming period was described as crucial for the stability of our agriculture.

Djuranovic Introductory Speech

[illegible] Belgrade TANJUG Domestic Service in Serbo-Croatian 2101 GMT 11 Mar 80 LD

[Speech by Veselin Djuranovic, president of the Federal Executive Council, at the Yugoslav Conference on the Development of the Agro-Industrial Complex]

[Text] [Passage indistinct] for instance wheat over 2.2 times, corn 3.5 times, sugar beet over 6.1 times, sunflower by about 7 times, meat 4.4 times and milk by over 2.5 times more in comparison with 1946. In comparison with prewar production, the volume of agricultural production has more than doubled.

Despite periodic fluctuations a relatively high growth rate in agricultural production on the order of about 4 percent was attained in the 25 year period (1953-1978), which ranks among the highest growth rates in the world over such a long period of time. In this context it has to be stressed that growth rates in the social sector were several times higher than in the individual sector.

Agricultural-industrial combines as powerful socialist self-management organizations and protagonists of socialist transformation of agriculture and the countryside in general have been established and are being developed in agriculture. They have modern equipment and can be considered a precursor of production and income entities which we are today developing on a broad level in associated labor. The importance of agricultural-industrial combines, together with agricultural estates and cooperatives, is eloquently testified to by the fact that on about 14 percent of the total area under cultivation they account for about 48 percent of the total of market surplus of agricultural produce. [paragraph continues]

The average yield of agricultural enterprises has been increased considerably while the yield per unit of area and the productivity of labor attained in individual sectors of socially owned farm enterprises rank among the highest in the world.

In this dynamic process of socioeconomic development and industrialization of the country the process of industrialization of agriculture and its increasing integration in the overall social economy was intensive, too. In direct linkage with and dependence on agriculture, there developed relatively strong branches of industry (processing, chemical and machine building) which, according to assessments, together with agriculture account for about 37 percent of the social product of our total economy. In the final consumption of food [as received] about 40 percent is processed in industry, and in the reproduction consumption of the processing industry increasing use is made of agricultural raw material products. New socioeconomic relations and interdependence between agriculture, industry and the economy as a whole are being increasingly established and developed on the foundations of income-based links and integration in keeping with our Constitution and the Law on Associated Labor.

In agricultural development to date labor productivity has grown steadily. This has happened particularly in the social sector, where it has grown faster than in industry. This was the result, first and foremost, of the successful application of technical, technological and bio-chemical innovations in the production process, faster industrial development and other factors. This in particular has made it possible to reduce the size of the agricultural population and to employ it in other activities. All this has made it possible for labor productivity in agriculture as a whole to rise to about 3.6 times higher than it was 30 years ago. Today one agricultural worker produces (on the average) enough for five inhabitants: in the private sector, enough for 3.4 inhabitants and in the social sector enough for over 33 inhabitants, while before the war one agricultural worker produced enough for 1.5 inhabitants. Regarding its technical and technological development, the social sector of agriculture today probably uses foreign licenses less than any other branch of industry. In fact, it exports its own knowledge and technology to a considerable extent.

The growth of agricultural production is proceeding faster than population growth. This has made possible a rise in the overall standard of living. This particularly applies to the quality of nutrition. To give an example, in the period between 1950 and 1979 the per capita consumption of meat and meat products increased from 17.9 to 51.2 kg, of vegetable oils from 1.7 to 10.0 kg, of milk from 58 to 99.6 litres, of eggs from 46 to 180, of sugar from 8 to 32.2 kg, of vegetables from 55.2 to 140.4 kg and of fruit from 35.4 to 66.2 kg. In this way a satisfactory average level of daily per capita consumption of 3,550 calories was achieved. This, however, is not yet satisfactory in terms of its qualitative structure.

Thanks to these production results during the past 10 years or so, agriculture is increasingly in a position to export its products and to obtain a positive foreign trade balance sheet on this basis (excluding imports of coffee, citrus fruit and wool).

During the postwar period production on private farms improved considerably and the standard of living of farmers increased. Through cooperation with the social sector of agriculture, which is being increasingly transformed in keeping with the Law on Associated Labor, application of various forms of pooling the labor and resources among farmers themselves and between them and agricultural and other organizations of associated labor, and modern methods of land cultivation and livestock breeding are applied more and more extensively on private farmsteads, increasing labor productivity still more and increasing income from agriculture.

by working in non-agricultural activities while remaining on farmsteads these farmers earn a significant additional income. It is estimated that these private farmsteads today account for about 50 percent of the total number of private agricultural holdings. All this has established the material basis for the solution of the problem of social insurance for agricultural workers and for improving the conditions of their life and work in the countryside with the result that agricultural workers in most village settlements have made use of this, making their personal contribution in money or by working. Electrification of the countryside has by and large been completed. A very great deal has been accomplished in the construction of the road network, communal infrastructure, provision of housing, water supplies and other areas. Activity is underway in all the republics and provinces with a view to resolving the question of the social and health insurance of farmers on a more permanent basis, and encouraging results have already been obtained. Major results have also been achieved in the development of culture and education in the countryside.

A new period in the development and implementation of our agrarian policy began at the time of new constitutional changes introduced as a result of the constitutional amendments in 1971. This period is characterized especially by a more resolute line of decentralization and consolidation of the role and the responsibility of associated labor in socialist republics and socialist autonomous provinces. Consultations between the republics and provinces and accords between organizations of associated labor along self-management lines were the basic form of coordinating the development policy and of agreeing on a wealth of different interests in the area of the self-management socialist transformation of agriculture and of the overall agro-industrial complex.

The realization of the agreement on agricultural development adopted in 1971, as the first interrepublican agreement in our country, based on the 1971 constitutional changes, [then provided] an invaluable experience for our recent practice. The second agreement, which was adopted for the 1976-80 period, was an expression of the continuity of the basic development objectives laid down by the first agreement and even earlier, in appropriate socio-political documents relating to agrarian policy. The results in the implementation of the first agreement made us lay down far more ambitious objectives and tasks in the agreement covering the period 1976-80. Besides, this agreement is far more comprehensive because it embraces the development of agriculture and of agricultural activities which have direct reproduction and income-based links.

Today, now that we are in the last year of the realization of the agreement on the development of the agro-industrial complex and of the medium-term social development plan, we can make the assessment that the policy of the dynamic mutually conditional and coordinated development of primary production, processing and trade of agricultural and food products was basically well-conceived as a fundamental strategic orientation of the development of the agro-industrial complex up to 1980.

Organizations of associated labor of the agro-industrial complex and socially organized farmers are increasingly confirmed as basic protagonists of the development of this activity. This has created more favorable conditions for the development of material production. Further progress has been made in the development of self-management socio-economic relations in the agro-industrial complex.

However, the growth of overall primary agricultural production, particularly land cultivation production, has proceeded substantially more slowly than planned. The gap between the implemented and the planned volume of production of land cultivation has brought about disproportions between the various branches of agriculture, especially in relations affecting animal fodder and meat production and delays in the development of agriculture in relation to the food industry.

Differences between the implemented and the planned volume of agricultural production in individual socialist republics and socialist autonomous provinces were manifested.

The development of agriculture in hilly and mountainous areas and on the islands is lagging behind in relation to the agreed anticipated development.

With regard to organization and stabilization of the markets of agricultural and food produce, despite certain progress, the expected results were not attained. The still frequent and [considerable] disparities between supply and demand give rise to instability of prices and this has an unfavorable impact on regular and stable supplies of agricultural and food produce for our population.

The position of agriculture in primary distribution is more unfavorable than the average [hardly indistinct] and the position of the producers of the basic agricultural produce is also less favorable than the position of the processors of this produce.

The position of agriculture in primary distribution has even made worse despite the fact that prices of agricultural produce grew considerably faster than the prices of other products, especially industrial ones. [In the period 1975-79 manufacturers' prices of industrial products went up by about 35 percent, while those of agricultural produce went up by about 59 percent]. The basic reasons for these developments, apart from a shortfall of agricultural production in 1979, are to be sought in the above-average and increasingly high sums taken out of income to meet general and joint requirements and to fulfill the agreed commitments on the self-management basis. While these deductions from income (not including deductions made from gross personal income) amounted to an average of about 21 percent in the economy they amounted to about 27 percent in agricultural production. About 11 percent of agricultural income is set aside to pay for the interest alone and this substantially reduces the material basis of the work of this part of our economy.

We cannot be satisfied with the volume of exports of agriculture and food produce. The attained level of production of some produce in our country rules out the implementation of the planned export of wheat. Stagnation tendencies in the export of meat and some other agricultural and food products are the result of the protectionist restrictions imposed by the importing countries, but also of inadequate organization in our activity on foreign markets. In addition, in 1979 we had to import considerable quantities of wheat to mitigate the consequences of the already low domestic wheat production the previous year and of the considerable shortfall in corn production in 1979. Nevertheless, during the past 2-3 years the situation in our foreign trade has improved because for the first time we began to export considerable quantities of oil and sugar and we considerably stepped up the export of wine. The deterioration of the material basis of the associated labor in this branch of our economy had an adverse effect on the implementation of the development tasks in the production of agricultural and food produce. This imposed limitations on the volume of current and investment outlays, particularly in primary agricultural production, and slowed down the rate of expansion of land in the social sector and also the growth of consumption of high quality reproduction material in agricultural production which, taken together, made its more intensive, stable and productive development more difficult.

The economic position of agriculture is not satisfactory, and the weak accumulation and reproduction capability of agriculture considerably limits the faster development of agricultural production.

While in the period 1970 through 1977 the rate of accumulation in the economy grew from 7.0 to 7.2 percent, in agriculture it dropped from 4.0 to 2 percent. Because lower sums of money were set aside for accumulation, the rate of reproduction capability was reduced from 5.3 in 1970 to 4.2 in 1975, which represents a faster reduction of this rate than in the economy as a whole (from 6.3 to 5 percent). According to present estimates these differences were somewhat reduced in 1979 but further efforts must be made to guarantee agriculture an income and an accumulation which will contribute to a faster development of this production.

Some functionally and practically inadequately developed economic-organizational factors, too, had a restrictive effect on a more intensive and fuller development of agricultural production. Which factors? First and foremost, the system of the reserves of agricultural produce is not materially realized and functionally developed to influence regular supplies and supply and demand relations in any decisive way.

Besides, the processes of organizing reproduction trends upon income foundations in the agro-industrial complex are, especially from the point of view of incorporation of organizations responsible for trade in agricultural produce, in the initial phase. What has happened is that relations between the producers, trading organizations and consumer centers have not been regularized to a sufficient extent. Producers, particularly private producers, are frequently prey to market fluctuations because sales of their produce have not been insured, while at the same time inadequate supply stability occurs in consumer centers.

Until by regulation of the prices of basic agricultural produce also had an unfavorable impact on production orientation and the position of the producers and the stability of the market, greatly contributed to by inadequate efficiency in obtaining republican and provincial agreement with regard to price levels. Furthermore, disparate degrees and rate of association and incorporation of farmers into socially organized production in individual socialist republics and socialist autonomous provinces were responsible for different degrees of production of this important sector of the agro-industrial complex in individual sociopolitical communities.

In addition, the economic side of the settlement and organization of agricultural land did not attain a satisfactory level. The importance of water as a factor of high production, and massive and stable production of agricultural products was neglected and a reduction in the economical aspect of production, fast growth of production costs per unit and a reduction in the profit side of investments considerably influenced the development of agriculture and the economic position of organizations of associated labor in this area.

Finally, inadequate development and territorial fragmentation of the export service for promotion of agricultural production on farmers' farmsteads are responsible, among other things, for insufficient and inadequate application of scientific and expert achievements in production on these farmsteads.

Apart from all these aspects we should bear in mind that the absence of programs of social requirements of agricultural and foodstuff products and for the reserves also had an inadequate impact on development progress, on income based links and on agreements between organizations of associated labor in production, processing and trade. There is no doubt that in the development of the agro-industrial complex during the current medium-term plan period we grappled with a number of subjective shortcomings.

As can be seen during the current medium-term plan period not insignificant results have been achieved but viewed realistically on the whole they ought to have been considerably better.

The experience we have gained must be assessed as significant. It must be thoroughly and critically reviewed in all the republics and provinces and in all organizations of associated labour. This is an important condition for further successful advancement. This is all the more necessary since in the development of the agro-industrial complex many problems and contradictions are still present and since in the planned period ahead we face even greater efforts to accelerate development and to stabilize food production. The knowledge that realistic possibilities of a more dynamic and more productive development of production of agricultural produce do exist should even more intensify our resolve, organization and general ability in order to more fully and more efficiently use export and scientific potential, natural resources and production capacities in our agro-industrial complex because "our farmers are today in a position to produce sufficient basic produce to feed our population and to export significant quantities," as Comrade Tito said at the 11th LCY Congress.

In establishing the basic objectives of the development and joint interests of all the republics and provinces for the next development period it is particularly important for us to establish the right place and role of agriculture in our future overall social development, bearing in mind both the processes of the industrialization of our country at a higher level and the further processes of desagrarianization and socioeconomic changes in rural areas.

Undeniably the further development of agriculture and of the agro-industrial complex, in the widest sense of the word, is one of the most important and major questions of the overall social development of our country. Production of the quantities of good quality food required by our society is a long-term requirement because it is a condition needed to raise the standard of living of our population which is increasingly becoming non-agricultural. It is estimated that by the end of this century the demand for agricultural and food produce in our country will rise at the average annual rate of about 3.5 percent with appropriate and increasingly significant changes in feeding our population, which will have a bearing on changing the structure of consumption in keeping with the growth in the standard of living and with the increasing standardization of consumption according to population categories and our country's regions.

The importance of agriculture in the overall economic development of our country will increase also from the point of view of increasingly broad possibilities for processing primary agricultural produce for industrial purposes and from the point of view of stepping up consumption of industrial products for the requirements of agricultural production. This means there will be additional opportunities for the development of existing branches of industry which manufacture the requirements of industry. There are also realistic assumptions regarding the development of new branches of industry on the basis of the processing of primary agricultural produce.

Bearing in mind the long-term nature of the deficit in the world food balance sheet on the one hand and realistic potential possibilities of our country in food production on the other hand, the importance of exporting food to even out our country's balance of payments will increase. Of course, the long-term significance of the development of agricultural production is more than obvious also with regard to the stabilization of the economy of our country, that is to say for the stabilization of the market and for the anti-inflation policy.

Stabilization of production of basic agricultural and food produce at the level of food requirements and food reserve needs is of increasing importance from the point of view of reducing our dependence on foreign countries, so this is an important component in the consolidation of the international position of our country and a significant factor in the consolidation of the defense capability of our society.

In laying down the long-term importance of the status and the role of agriculture and of the agro-industrial complex in the overall social development of our country we must always bear in mind the fact that, despite a gradual reduction in the number of our agricultural population in the process of socialist self-management development of our country, the number of inhabitants in rural areas is high even today (about 4 million). In this context it is anticipated that by the end of the ensuing medium-term period our country will have approximately 3 million farmers. Therefore, one has to reckon on the need to employ a sizeable work force which will remain in the rural areas and will insure its existence by earning income from agricultural production. In fact, this is the policy of consolidating the material and social position of farmers and of village populations, of raising the standard of living and of insuring cultural and general social progress in rural areas. The importance of the development of progressive agricultural production and of our agrarian policy along this line must not be underestimated from the point of view of reducing the pressure of reserve labor force of rural areas.

It was necessary on this occasion, too, to draw attention to certain essential aspects of the place and role of agriculture and the agro-industrial complex as a whole in our overall development, not because these elements are unknown but in order that we may have--while the development policy for the coming medium-term period is being established--recourse to dilemmas, reservations or hesitations of whatever type with regard to a determined orientation toward the development of agriculture and the agro-industrial complex as a whole, as the truly strategic goal of our overall social development, as the joint interest of associated labor in the country as a whole and of all the socialist republics and socialist autonomous provinces.

The production, trading and consumption of agricultural food products today represent one of the basic preoccupations and problems both in national economies of industrially developed countries and developing countries, and also in international economic and political relations. The world today is nevertheless so divided with regard to differences in the degree of material development and in the sociopolitical order, that one cannot even speak of joint world problems in feeding the population. Polarization of the world is unfortunately in evidence and becoming increasingly profound in the sphere of food supplies, that is, of guaranteeing a bare existence for the population. A quarter of the population of our planet, in the industrially-developed countries, enjoys an abundance of food products, while the rest of the world's population in the underdeveloped and developing countries cannot satisfy even its basic food needs. In many countries hunger still claims many lives.

In such a situation the highly industrially developed countries are trying, in international political and economic relations, to make use of the food surpluses at their disposal as a means of political influence and domination. Hence, in international economic relations agrarian protectionism is increasingly developing as an expression of the policy of self-satisfaction and in establishing monopoly positions and the policy of domination in international relations. On the domestic level such policy leads to further strengthening of state-administrative and economic interventionism.

The existing system of international economic relations with regard to food supplies does not in fact correspond to the present needs and demands of the majority of the countries in the world. This system continuously reproduces conditions whereby the developing countries remain in a subordinate position and bear the greatest part of the consequences to which such a system leads. Such a state of affairs may be changed only by a radical alteration of existing relations and by the establishment of a new international economic order. This, of course, demands even greater unity and commitment on the part of the nonaligned countries and developing countries (the Group of 77), both in the struggle against any form of domination as well as in the struggle for collective reliance on one's own forces.

Proceeding, accordingly, from the overall trends and achievements in development up to now, from its own possibilities and needs, and bearing in mind the world situation in regard to food supplies, Yugoslavia must take up a decisive orientation toward attaining considerably greater results in the development of agriculture and of the entire agro-industrial complex in the coming 5-year period. The further dynamic development and promotion of primary agricultural production and of the agro-industrial complex as a whole poses itself as one of the basic strategic goals not only of Yugoslavia's medium-term development policy, but also of its long-term development policy. By this very fact it is also one of the most important tasks of current policy and action. It is therefore essential that in the forthcoming debates and in the process of social agreement making and self-management contracting in connection with the adoption of plan documents, all factors should thoroughly examine, check all opportunities for, test and fix in a realistic way the necessary conditions for the realization of more ambitious tasks in the socio-economic development of agriculture and the agro-industrial complex. Proceeding from this, major tasks confront working people and organized subjective forces in the agro-industrial complex and in society as a whole.

It is necessary, by consistent and creative application of the Constitution, the Law on Associated Labor and of our socio-economic and political system as a whole, to accomplish a further breakthrough in the development of socialist self-management production relations. The realization of the most important goals in the development of agriculture and the agro-industrial complex as a whole is conditioned by, and decisively dependent upon, the further development of socialist self-managing production relations in this sphere.

We may state with some satisfaction that in the phase of development up to now, major results in both the material and social aspects as a whole have confirmed the conception of our agrarian policy, the essence of which consists of the development of large-scale industrial high productivity on socially-owned farms and in the production capacity of agricultural workers associated in cooperative organizations and basic organizations of cooperants [private farmers who cooperate with the cooperatives].

Proceeding from this, the most important tasks in the coming period, the realization of which necessitates effort, would be:

First--the further strengthening, expansion and promotion of modern high-productivity and rational agro-industrial production in organizations of associated labor in the social sector, in agricultural industrial combines, simultaneously giving forceful stimulation to the process of association of labor and means on an income basis between organizations of associated labor in the entire reproduction chain--from primary production and processing to trading and consumption, including in these processes the industry producing means of production--and simultaneously coordinating their development with the needs of the development of major industrial high-productivity production on the basis of self-managing contracting and social agreement making.

Second--the further more intensive development of all forms of association of agricultural workers--of their labor, land and means--together with workers in associated labor, on the basis of completely free orientation of the agricultural worker, depending in fact on his economic interests, which is, in its basic intentions, the essential orientation of our policy, the social orientation of the development policy of the agricultural social sector.

Third--to strengthen efforts in a more responsible and organized way aimed at more intensive self-managing functioning of the market and of stable supplies to the population of agricultural food products; the greatest attention must be devoted here to the self-managing organization of large consumer or marketing centers, by creating and developing self-managing interest communities for supplies, and by long-term agreement making and so forth.

Fourth--it is particularly important that in all these socioeconomic processes the point of departure should be the application of the principles of self-managing social planning, the need for coordination of development programs from the standpoint of the rationality, profitability and effectiveness of investments, bearing in mind the need for division of labor and specialization, association of labor and means, joint representation in foreign markets--which is of the greatest importance in the struggle for income.

Fifth--one must not lose sight of the fact that planning and realization of income is a central question of self-managing production relations; hence the struggle for labor productivity, efficiency of economic activity, optimal investment and production costs as a whole, and so forth, must be in the function of the struggle for income, for the strengthening of the material basis of associated labor and of agricultural workers by this means is, as a rule, crucial.

Sixth--the development of self-managing socialist relations, and in this connection the development of agriculture and the agro-complex, is essentially conditioned by whether we can overcome the role of the state--which is still too accentuated--in regulating the relations of distribution, mainly the primary distribution in this sphere.

All this should enable workers and agricultural workers in basic organizations of associated labor, basic organizations of cooperants, in cooperatives and in all other forms of associations of agricultural workers, as well as in private agriculture as a whole, to become genuine subjects in the adoption of all self-management decisions in the sphere of social reproduction. In this way, state-property, small-property and group-property tendencies will be overcome as well as localized and monopolist tendencies and conduct in production and on the agricultural food product market. Without further qualitative advancement of socialist production and relations in the agro-industrial complex as a whole, it is impossible to realize the process of stabilization of production increase and the strengthening of the material basis of associated labor in this sphere, and conversely, without an increase in the material basis, productivity and labor efficiency, socialist production relations cannot develop more rapidly either. These are mutually linked and mutually conditioned processes.

In addition, more forceful stimulus must be given to the development of the process of expanding the socially organized production of private farms. This, all the more so, in that we cannot be satisfied with the results achieved so far in involving agricultural workers in the processes and relations of socially organized production, particularly in mountainous areas. In fact, in relation to the total number of active agricultural [population] and to the number of pure agricultural farms, the number of agricultural workers in basic organizations of cooperants, in cooperatives and in other forms of socially organized production, is small. Activity on this level must be increased and must be directed toward promoting self-managing linkage of agricultural workers and toward involving them in a unified system of self-managing associated labor on the basis of the constitutional principles of independent personal labor. This relates to the free and equal association of labor, means and land of agricultural workers, and also to cooperation, where this is possible and rational, to more long-term linking of the personal labor of agricultural workers with the workers in associated labor. In this connection the opportunity must be taken of closely reinterpreting that involved here are the policy and measures which should enable the agricultural worker to increase his income to the maximum on the basis of his labor and production. This can be attained only by his inclusion in the system of associated labor through which he will be included in the modern, up-to-date, large-scale high-productivity of the socialist sector, which comprises the unified process of socialization of production. This is the correct way to increase the economic and social security of private agricultural producers and is also the basis for the overall progress of rural areas.

II. [illegible]

In such a conception of the socialist transformation of agriculture, there are, in the present phase of development, no particularly serious economic or political reasons for changing the maximum land allowed an agricultural worker. But conditions must be created for the association of land areas, labor and means of agricultural workers in order to accomplish joint production. Unless this is developed, difficulties will arise in realizing our conception of the socialist transformation of agriculture.

In the sphere of material production in the agro-industrial complex, we must advocate a more ambitious program and more dynamic growth. Such orientation is founded on the multilateral influences of the growth of industrial production on overall economic growth, and also upon the fact that in other economic activities restrictive factors of development are more in evidence which will have their effect in the coming planned period. In addition, in agro-industrial production we have at our disposal our own resources which have comparative advantages, that is, the development of production which is dependent to a lesser extent upon imports. There are considerable realistic possibilities for us to effect an improvement in the country's balance of payments to a greater extent by increasing exports of agro-industrial products. This means that in this sphere, in the 1981-85 planned period, production must first satisfy the needs of the domestic market, taking into consideration population growth and alterations of the consumption structure; second, the necessary strategic and market reserves in specific products; and third, stable and constantly rising quantities intended for export.

Where exports of agriculture and food products are concerned, we must mean a radical turn in the image that we must orient our strategy and ambitions for the export of products, equipment, knowledge and technology from the agro-industrial complex in a far more bold and, if you like, aggressive fashion. Export strategy must be worked out in its entirety, both with regard to volume and structure of the products, and proceeding from the conditions of and degree of organization for representation in and sales of products in foreign markets, and proceeding also from a regional reorientation of exports. Without underselling the importance of the traditional markets for our agricultural exports such as the CEC countries, it is necessary, nevertheless, to understand that this market, although the most important at present, cannot in future be the decisive one for our agricultural exports.

It is essential to orient ourselves more determinedly toward, and to go out in a more organized way into, other markets, both of the industrially developed countries of the West and the East European socialist countries, and especially of the markets of developing countries. Of course, the basic prerequisites for the realization of such a strategy is the self-managing organization of production intended for export to a specific market and of radically overcoming the existing state of affairs and practice whereby export or import policies are based upon temporary, almost accidental surpluses of agricultural good products and which therefore appear as a residual item in the total production and international exchange of our country.

Such an orientation in foreign trade must also be encouraged by the adequate application of the foreign trade system. In this connection it is necessary to continue to develop special elements in the system of foreign trade exchange of agricultural produce and food, elements which will correspond to the conditions of international commodity exchange and to the tasks which are being set for the export of agricultural and food products, knowledge and technology. It is certainly necessary to insure unity of action on existing as well as new foreign markets, flexible adaptation to changeable conditions and support for measures of economic policy as conditions to overcome obstacles on individual foreign markets.

With reference to the development of material production in the agro-industrial complex during the next plan period it is necessary to clearly determine the tasks and to insure necessary conditions for a more harmonious development and for overcoming certain structural disproportions in production which are still present in proportions with which one should be longer reconcile oneself.

II. [illegible]

[illegible]

The establishment of more harmonious relations in the structure of agro-industrial production represents, in fact, the basic precondition for the achievement of a higher degree of stabilization in the development of that production. It is known that in our agrarian policy many solutions and measures have been adopted which are aimed at insuring stable development. However, satisfactory results are still not being achieved, the above all to inconsistency in implementing the adopted and jointly agreed solutions. Therefore, what is aimed of us in the next period is the need to fight successfully for consistency in implementing agreed solutions, adopted actions and established measures.

A basic instrument by which, by proceeding from real conditions and the level of development, the directions and the dynamics of agricultural development as well as the resources and other conditions for the implementation of the established goals and the exponents of development are established could be the agreement on the foundations of the plan of the development of agriculture and of the entire agro-industrial complex for the next medium-term period. Such an agreement would bind all social factors in this sphere, as well as all organized forces of society, to coordinate on time, consistently, in an organized manner and with a sense of responsibility, their mutual interests, goals and obligations in order that they might insure, by the consistent application of the system of planning, a stable development of agriculture and of the agro-industrial complex as a whole. The open question is whether an agreement on the foundations of the social plan of Yugoslavia for the development of the agro-industrial complex should be adopted. However, if assent on the adoption of such an agreement is achieved, and in order that such an agreement be to the fullest extent possible an expression of the coordination of the plurality of self-managing interests and of the development policy determined by the republics and provinces, the necessary condition for this should be insured.

At the same time, the adoption of a protection of consumption and of the reserves and, on this basis, the programming of the development of agriculture and the agro-industrial complex, could contribute to the introduction of relevant measures of economic policy of a more lasting character. All this, and this is particularly important, would make it possible to take into consideration, and use to the greatest possible extent in the process of programming production, the comparative advantages of individual regions producing individual products. It is beyond dispute, however, that much more attention should be paid to economical production in order that the competitive ability of our entire economy be insured.

At the same time, it should be borne in mind that a major part of production on the farms owned by individual farmers results outside the organized direction based on self-management and this exerts a substantial influence on phenomena of spontaneousness which is still present in the production and circulation of agricultural produce. This is the very reason why we must seek for greater efforts toward linking the greatest possible part of this production with associated labor and to use in this connection various forms and possibilities of the joining process. Such cooperation is both in the interests of the farmers and the socially owned farms because, for instance, already today the further development of combines, even of the largest ones, cannot be achieved without cooperation with the farmers. [The processing capacities of individual combines receive about 60 percent of their raw material from the production of farmers].

In the process of further raising the work productivity and of consolidating the material basis of farmers, organized on the basis of self-management, their social security should also be intensified by promoting health and social insurance. The system of social insurance should also be applied more broadly for aged producers who have no inheritors for their land. Resources used for this should be those of the farmers and--on the basis of solidarity--of associated labor as a whole.

more stable trends in the sphere of the agro-industrial complex depend directly on the instrument which associated labor should adopt on the basis of self-management, with the aim of establishing and reflecting a greater coordination between supply and demand, above all, through long-term planning and contracts on production and delivery, development of a united process of production, circulation and consumption in line with the principle of income and of joining all the links in the 'from the field to the table' chain. However, to insure such a self-managing planned development, the subjects of planning should also organize themselves accurately. In this process, in addition to further strengthening the self-managing position, above all of the basic organization of associated labor, the basic organization of cooperants and the cooperative, communities of associated labor for mutual planning and business cooperation should be formed and develop their role. In fact, the creative application of the new planning system and the planned coordination of interests on the basis of self-management in the sphere of production and consumption represent one of the basic conditions of the stable development both of material production as well as of socialist self-managing relations.

However, what is crucial for the further strengthening of the role of the basic organization of associated labor, of the cooperative and of the basic organization of cooperants in the process of self-managing planning and for the development of their mutual relations in work and composite organizations of associated labor on the basis of self-management, as well as for their integration into regional planning and business communities, is whether they are the exponents of income and of expanded reproduction and if so, to what extent.

The implementation of these tasks and strategic goals depends directly and primarily on the further development of large and highly productive production. Therefore, our basic orientation in the medium-term as well as long-term development period must continue to be even more intensive development of large industrial highly-productive production on socially owned farms and, along with that, of production capacities of farmers associated in cooperative organizations and in basic organizations of cooperants...

We are facing the lasting task of the struggle to increase the average yields of wheat, corn, meat, sugar beet, sunflower and grain like in particular by activating production and increasing the average yields of products characteristic to the agriculture of mountainous areas where significant untapped reserves exist and which, without doubt, represent the greatest potential for the implementation of the basic goals we have set ourselves as regards the volume of production. It goes without saying that this task should be approached realistically and rationally by bearing in mind that a larger yield in itself does not necessarily mean a larger income. Therefore, income and the amount of income should always be borne in mind.

But, bearing this aspect in mind, there is no doubt that the aim must be to continue to increase yields in all spheres of primary agricultural production. In this our science plays an exceptional role, as it has successfully done so far. To create better strains of existing types of seeds and to produce new types of seeds with increasingly higher yields should also be a fundamental direction in the development, and in particular in the intensification, of primary agricultural production. With regard to the conditions which the near future will inevitably impose as regards available land for cultivation, this aim of our activity must become increasingly significant.

By developing agricultural products on such a basis, that is, by continually increasing yields, conditions will be created which are necessary to further raise productivity and to increase the efficiency of the economic activity.

in this the application of science, that is, of the most modern methods of cultivating land, processing and selling agricultural produce and food, has a far-reaching significance. In this connection the necessary conditions have to be created to insure the required specialized cadres and for the development of scientific institutions, the development and position of which must of necessity be deeply interlinked with and dependent on the development of associated labor, both in the social sense as well as from the point of view of material development. In the process of agricultural production there are certain specific features of natural, social and economic character. Features which demand to some extent also specific solutions in the application of the economic policy measures. However, in our country views are still divided regarding the extent to which such specific solutions should be incorporated in the system.

One of the fundamental issues demanding definite orientation in the planning documents for the next medium-term development period in the system and the financing of expanded reproduction in agriculture. There seems to be no dispute about the expanded reproduction system in the agricultural organizations of associated labor having to rest basically on the same principles as the system of expanded reproduction in associated labor as a whole. But, proceeding from this and bearing in mind the certain peculiarities of investing in agriculture, we face, as regards the financing of expanded reproduction, certain problems and outstanding questions. This stems from the fact that the material basis of associated labor in primary agricultural production is insufficient and restricted, that the level of the agricultural resources is insufficient and in fact minimal and on the other hand, from the fact that certain projects require investment with longer terms and more favorable rates of interest. This refers to the purchase of land and to bringing it under cultivation, to the infrastructure projects in agriculture, and so forth.

Large expanses of land which are not being sufficiently cultivated (about 500,000 hectares) or which are not cultivated at all represent immense reserves to increase production. What is at issue here is land which should be subjected to more intensive cultivation. Appropriate resources should also be insured for this because without a real material development basis favorable results in material production can not be expected. Such an incentive has not so far been sufficiently present, primarily because the exponents of resources did not see something of interest to them in it, that is, that such investments would bring an appropriate income. It is therefore necessary to find relevant solutions, above all in the system of providing credits for investments, solutions which will stimulate the pooling of resources for investments for definite purposes under favorable conditions. Attempts should be made to seek satisfactory solutions for financing certain investments in agriculture by combining several sources. Among other things, the regulations of the republics and provinces on the compulsory pooling of resources which could be used to improve interest rates for long-term credit given for certain purposes in expanding the capacities for the needs of primary agricultural production, combinations for using agricultural land for purposes for which it has not been intended, some solutions of joint credit and monetary policy or by other measures of joint economic policy in the new medium-term plans for certain purposes and to a certain extent by using resources from farmers' savings--it goes without saying on the basis of self-management, by using foreign credits, and so forth. The possibilities of a greater involvement by business banks should also be examined in view of the fact that in the banks' credit policy agriculture has not been given a relevant place.

From the point of view of the further intensive and comprehensive development of self-managing socialist relations in agriculture and in the agro-industrial complex as a whole, it is necessary to overcome the present role of the state in the policy and system of prices of agricultural produce and of food.

The newly adopted law on the foundations of the system of prices and of the social control of prices and the basic systematic preconditions have been created to change relations in this respect.

What is at stake is an immediate task. There can be no delay.

It should be stated that what is at stake is very responsible work, and in this connection conditions should be created in which the prices of agricultural produce and food will be formed on the basis of the laws of the market, by proceeding from the criteria contained in the law on prices and further elaborated in social compacts and self-managing agreements, along with the relevant social influence due to the specific nature of agricultural production and the delicate nature of the market of these products. With reference to the relevant social influence, one has in mind the need to form protective prices for a smaller number of products most important for the stability of the market.

Protective prices should insure the marketing of products under conditions when such marketing is made difficult, while the level of protective prices should insure the simple reproduction by producers with average work productivity. If the organs of sociopolitical communities determine--either to protect standards or for some other reasons--prices which are lower than the prices which would be determined by the application of the criteria laid down by the law, it is their duty to insure relevant compensation in line with the recently adopted law.

In the process of establishing the self-managing organization of the market and of insuring the stability of supplies, an important role will continue to be played by the institution of market reserves of agricultural and food products, the basis of which should be regular goods reserves of organizations of associated labor as well as market reserves of towns and other sociopolitical communities. It will therefore be necessary for the system, the policy and the financing of market reserves to be continually complemented and to increasingly become an efficient means of associated labor in realizing the self-managing influence on raising the degree of stability on the market, in supplying the population and thus also on the stabilization of the development of goods production. In the next period, the market reserves institutions should play a far greater role in coordinating supply and demand and in establishing more favorable conditions for a more tolerant trend of prices for agricultural and food products. To strengthen the role of market reserves demands an efficient system of coordination and of harmonious activity of market reserves at all levels in line with the need to develop a unified Yugoslav market. The basic problem is to find a solution for the lasting and stable financing of agricultural and food reserves at all levels, and solutions to this end should be provided by adopting the new medium-term plan.

In the next plan period a decisive change should be made regarding the preservation as well as the gradual and lasting improvement of land representing irreplaceable wealth of general social interest. In the entire social development policy, particularly when adopting zoning plans, more attention should be paid to retaining agricultural land unless there are justified social reasons. It is inadmissible to continue with the reduction in the scope of agricultural land. In the past 10 years this land was reduced by 360,000 hectares. It is, therefore, necessary to promote and consistently implement in all republics and provinces land legislation and to use the experiences and solutions of all republics and provinces, as well as of other countries in this connection. It is in the common interest that some of the important questions in the sphere of policy and promotion of agricultural land be regulated on a joint basis.

To strengthen the role of associated labor and its influence on the development of agriculture does not mean to diminish the obligations and responsibilities of organs of socio-political communities. Their role continues to remain very significant, particularly regarding the creation of conditions for such development. They also have a great responsibility to mutually coordinate relations and to coordinate activity when enacting economic policy measures.

The system and policy of taxing farmers in republics, provinces and municipalities has today a manifold function. It is also used as a fiscal instrument and as a means of economic and social policy. However, its relative role and the extent of its influence are continually falling, above all because the share of tax obligations in farmers' total receipts is continually increasing, while on the other hand the share of contributions to self-managing interest communities is increasing. This is certainly the consequence of the changes in our system. However, during the next plan period certain changes in the system of taxing farmers should be carried out so that that system might become a more efficient means of the economic, social and even fiscal policy. Among other things, one should ensure continuous revaluation of the land assessment income as the basis for the tax rate and at the same time create conditions in which income from the agricultural activity by farmers would also be introduced and applied, in certain cases, as the tax base. The more intensive solution of the problems and tasks in the sphere of the agro-technical complex during the next plan period confirms that these tasks are great and that their implementation will have an immense influence on the entire socioeconomic development of our country. Of course, these tasks cannot be realized just by insuring relevant socio-economic, material, organizational, cadre and other conditions. Working people in associated labor of the agro-industrial complex and farmers, first and foremost [illegible] peasants, must play a crucial role and have the main say.

Leaders' Speeches

LD2139Z45 Belgrade TANJUG Domestic Service in Serbo-Croatian 0957 GMT 12 Mar 80 LD

[Excerpts] Belgrade--The association of farmers into cooperatives and organizations of cooperators is one of the necessary conditions for increasing food production for domestic and foreign markets during the next 5-year period. In our country there are about 1,200 cooperatives and organizations of cooperators in which about 300,000 farmers are associated. However, the network of these organizations is still rather thin. This is the result of inconsistencies in the implementation of agreed policy, sectarianism and the persistence of obsolete buying and selling relations in this area. It is also the result of tension among the various agro-industrial sectors. This was said by Stojan Milenovic, president of the Yugoslav cooperative association, at the Yugoslav consultative meeting on the development of the agro-industrial complex between 1981-85 which [illegible] work today. The consultative meeting is attended by Dragoslav Markovic, Veselin Djuranovic, Milos Minic, Dusan Alimpic, Stanko Opacic, Ilija Vrhic, Milutin Baltic, Andrej Marinc and others.

Cooperatives should not concern themselves only with food production, which, admittedly, is their primary task, but should develop other economic activities when conditions for it exist. These could include crafts, local industry, tourism, cooperative saving, and others, Stojan Milenovic said. In Slovenia, there are [illegible] specific interest communities of farmers--communities of producers who operate on a parallel basis with cooperatives and organizations of cooperators. They include interested parties for such purposes as the joint purchase of equipment, land improvement and other matters. In this republic there are as many as 1,500 of these interest communities with about 30,000 members.

Jan Stourac, president of the Yugoslav Chamber of Economy, described the planned 3.1 percent rate of growth of agricultural production during the next medium-term period as inadequate for the stability of the domestic market and for the anticipated structural changes.

[illegible]

He stressed that in our agrarian policy the disparity between the agreed and the implemented was obvious. He pointed out four major problems: lagging behind of investments, economic relations with foreign countries, and the lagging behind of the development of income relations in agro-industry.

Jan Stroman stressed the fact that during the past 10 years imports of agricultural products have increased sevenfold and export [illegible] only less. For this reason we had a deficit last year in this branch of the economy. He advocates that export incentive measures be well defined and call that out administrative regulations which, according to him, had unjustifiably persisted in the area of agriculture for longer than anywhere else, should be done away with faster.

At the consultative meeting today, Milutin Baltic, secretary of the Presidium of the Central Committee of the League of Croatia, made some critical assessments of the program between 1981-85. First and foremost, the growth rate is a statistical one. In practice, one has to see what the driving force is and then derive realistic programs on this basis. For instance, a production target of 6 million tons of wheat is set. This in fact was the figure preferred when the "green plan" was adopted in 1977 and attained 4 years ago. A similar point can be made with regard to corn production, which, according to the new plan, should total about 12 million tons annually. But this is not ambitious enough, because this yield can be attained now, under favorable weather conditions.

Dr Vlado Puljiz of the Social Research Center of Zagreb University stressed that in our country the agricultural population comprises 7.5 million inhabitants, or 36.6 percent of the total population. In the period between 1961 and 1971, over 200,000 people abandoned agriculture each year. According to estimates, in 1985 about 4.6 million people will be involved in agriculture in our country, which will be about 20 percent of the total population of Yugoslavia. This is the first indicator of the big changes taking place in our society. As in the meantime the land area under private ownership will not have changed to any substantial degree, it is not difficult to establish that the density of the population in the countryside has dropped considerably. This very fast favors socialization.

The economic position of agriculture in the Socialist Republic of Serbia is worsening, said Slobodan Milivojevic, Serbian republican secretary for agriculture. About 16 percent of the republic's population is involved in agriculture. The share of agriculture in the national product is 16 percent, in surplus product about 8.5 percent and in investments not even 7 percent.

Petar Jacovic, chairman of the business committee of the Belgrade Economic Chamber, put forward a number of proposals and assessments which merit careful study and, certainly a search for solutions.

It is his opinion that our agriculture has achieved exceptional successes in comparison with the other branches of the domestic economy and in comparison with the rest of the world.

The social sector, with 14 percent of the land area, produces an average of 46 percent of the surpluses. Regarded individually, the social sector produces 67 percent of the wheat surplus, about 70 percent of sugar beet, and even greater quantities of corn, poultry meat and the like.

There can be no doubt that the model for organization of agricultural production is clear. The backbone is the social sector and its cooperation in various forms with the individual sector. This must be expanded and this expansion would depend on overall trends.

II. 14 Mar 80 [illegible] YUGOSLAVIA

Considering that land is costly and that everyone loses money, the question must inevitably be asked as to what happens to all these uncultivated areas of 600,000 hectares or even 1 million hectares. This cannot be left merely as a measure but the entire matter must be thoroughly examined to see who is neglecting or not working that land, and why.

The representative of Socialist Republic of Croatia, Filip Gregorijevac, drew attention to the situation in the production, trading, export and import of tobacco and also tobacco processing, stressing the importance of this crop for agriculture in the country as a whole. He said that the situation in this sector is unsatisfactory. Increasing numbers of agricultural workers are abandoning tobacco production so that soon we may import rather than export tobacco. In Macedonia, for instance, the number of producers has been almost halved from 104,000 in 1976 to 59,000 last year.

Drago[illegible] Markovic, president of the SFRY Assembly, said that there is certainly every reason to indicate a more ambitious orientation in the development of the entire agro-industrial complex.

Despite all the weaknesses and omissions, the agreement with the EEC offers new and more favorable prospects for exports. Viewed in the long term, the socialist countries represent a secure market, and that for a long period developing countries also offer a favorable prospect.

Speaking about the concentration of land areas, Dragoljub Markovic pointed out that the social sector must develop only under economically acceptable conditions. There is no doubt that cultivated fields should not remain unused because of migration. There is a willingness to buy this land but at the same time such areas must be made fit for profitable food production. Careful study must be made as to whether the purchase of 150,000 hectares or 250,000 hectares will come into consideration in the next 5-year period.

Ivo Vastrak, chairman of the SAWP Federal Conference Section for Socio-economic Relations in Agriculture and in the Village, advocated the more rapid development of agriculture in both sectors and better utilization of capacities, land area, livestock raising reserves and so forth. Where livestock raising is concerned, it is very important to point out that over 1 million calves and over 1 million piglets are slaughtered every year in our country and this is certainly irrational.

In the coming medium-term period the focus of labor in agriculture should be on increasing primary production. Growth should be coordinated with the market and with processing capacities, Milovan Ilic, president of the Federal Committee for Agriculture, said at the conference. In this respect, it is particularly important to intensify crop production, particularly grain crops and animal feeder.

In addition, it is necessary to make more use than before of compensation as a measure for protecting standard and also as an instrument of economic policy. It should be clearly established in the republics and provinces as to when compensations are applicable, and funds for this should be guaranteed. Moreover, there can be no market reserves without a permanent solution of the material basis.

The orientation toward accelerated development of material production and self-managing socioeconomic relations in agro-industry is based on the unanimous conviction that such an advance will make a vital contribution to the stabilization of overall economic and social prosperity in the coming 5-year period. This was stressed by Milovan Ilic, president of the Federal Committee for Agriculture, in the concluding speech at the end of the 2-day debate at the Socialist Conference on the development of the agro-industrial complex 1981-85.